



May 28, 2010

The Honorable Benjamin L. Cardin  
United States Senate  
Washington, DC 20510-2002

Dear Senator Cardin:

This is in response to your May 19 letter to Postmaster General John E. Potter, cosigned by Senator Barbara A. Mikulski and Congressman Frank M. Kratovil, Jr., regarding the public meeting associated with the Area Mail Processing (AMP) study currently under way at the Easton Processing and Distribution Facility (P&DF).

Thank you for sharing your comments. I understand your interest in ensuring that your constituents on the Eastern Shore have the ability to communicate their comments and concerns about the study and its initial results. We in the U.S. Postal Service share that interest, and we are committed to providing the public on the Eastern Shore—or in any location in the United States where an AMP study is taking place—the opportunity to do so. Our established AMP process provides distinct channels for public input prior to the Postal Service finalizing the study and issuing a final decision.

First of all, as soon as an AMP study is initiated and announced, the public may send their written comments to the postal district's Consumer Affairs Manager. If the initial results of the study indicate a business case for consolidation, a public meeting is held whereby a senior postal official presents the initial study results and allows attendees to ask questions and offer comments. Also, for an additional 15-day period, members of the community—whether or not they attended the meeting—may send their comments to the Consumer Affairs Manager. The presentation made at the meeting and a public meeting summary are posted on our Web site at [www.usps.com/all/amp.htm](http://www.usps.com/all/amp.htm). The public's comments conveyed at the meeting and those sent in writing to the consumer affairs office within the prescribed time period are considered thoroughly in any final determination. A review by the Postal Service's Consumer Advocate ensures that attention and resolution is given to the public input at the district and area levels prior to final consideration by the Senior Vice President of Operations. It also should be noted that the Postal Service's Office of Inspector General and the Government Accountability Office have reviewed our AMP process and the public input component of it.

Along with the Easton P&DF, the AMP page on our Web site lists 60 studies that have been initiated within the last two years in locations throughout the nation. These locations represent very diverse geographic areas. Some of the facilities that we have studied have been very large operations; some rather small. In most cases, including Easton, the facility that is being studied processes mail for areas well beyond their immediate geographic area. Regardless of the differences or similarities between any of the facilities under study, we have followed our AMP study process. This facilitates accurate data collection and analysis, proper recording and recognition of public input, and effective decision making. Accordingly, and regrettably, we cannot accommodate your request for multiple public meetings. Please know that other Congressional members have asked for additional public meetings in the past, and we respectfully have had to decline their request for the same reasons noted here.

A public meeting for the Easton AMP study has been scheduled for Tuesday, June 15 at 6 p.m. at Easton High School at 723 Mecklenburg Avenue in Easton. A separate notice of this meeting is being provided to your office. Enclosed with this letter is a summary brief of the initial results of the study, which is evaluating the transfer of mail processing operations from the Easton P&DF to the Baltimore Processing and Distribution Center. As it notes, the draft AMP feasibility study thus far has indicated that it would yield proposed annual savings of approximately \$3.4 million. A net decrease of approximately 54 positions is projected, and all reassignments of career employees would be made in accordance with the collective bargaining agreements. Services currently available from the Easton Main Post Office would continue to be available to customers, as this is a separate facility. Other preliminary results are listed on the brief, as is the notation that the public may send written comments to the Baltimore District Consumer Affairs Manager, postmarked by June 30.

On a national basis, it has been quite evident for a long period of time that excess capacity exists in our mail processing network, largely as a result of declining First-Class Mail volumes due to electronic diversion, changes made by businesses in the way they present mail to us, and continuing technological advancements in mail processing equipment. Specifically, the volume of single-piece First-Class Mail has declined by 29 percent between fiscal years 1998 and 2008. The current financial landscape and its detrimental consequences to the Postal Service have significantly exacerbated this excess in our network capacity and the necessity to address it.

As you know, the Postal Service, which receives no tax dollars for our regular operations, recorded losses of \$11.7 billion over the past three fiscal years and anticipates a loss of roughly \$7 billion this fiscal year. In fiscal year 2009, we experienced a decline of more than 25 billion pieces of mail from the previous year. Furthermore, the current trends that have led to declining mail volumes and revenue, coupled with increasing costs of delivering mail to an ever-expanding number of addresses, are expected to accelerate over the next decade and pose an ongoing challenge to our sustainability. At this difficult juncture in our history, the need to conduct AMP studies to determine whether efficiencies and cost savings can be realized through consolidation is more relevant than ever.

You can be assured that postal officials are applying careful attention and consideration to this study, an important aspect of which is the public input process.

If I can be of assistance in other postal matters, please let me know.

Sincerely,

A handwritten signature in dark ink, reading "Marie Therese Dominguez". The signature is written in a cursive, flowing style.

Marie Therese Dominguez

Enclosure

**AREA MAIL PROCESSING (AMP) FEASIBILITY STUDY**  
**Easton, MD P&DF to Baltimore, MD P&DC**

**Date:** 5/28/10

Area Mail Processing (AMP) is the consolidation of mail processing operations from one or more postal facilities to other facilities to improve operational efficiency and/or service.

An AMP study was initiated to evaluate the transfer of mail processing operations from the Easton, MD Processing and Distribution Facility (P&DF) with those performed at the Baltimore, MD Processing and Distribution Center (P&DC). The initial results of this study support the business case for consolidation. This study, currently in review at United States Postal Service Headquarters and its Area Office, is subject to change.

A public meeting will be held to share the initial results of the study and allow members of the community to ask questions and provide feedback. The public's input will be considered prior to a final decision.

The meeting will be held on Tuesday, June 15, at Easton High School, located at 723 Mecklenburg Avenue, Easton, MD 21601 at 6:00 pm.

Below are preliminary highlights from the feasibility study:

**1. Business Case:**

Proposed annual savings in the draft AMP feasibility study are approximately \$3.4 million.

**2. Postal Employees:**

Due to the consolidation, a net decrease of approximately 54 positions is projected. All reassignments will be made in accordance with collective bargaining agreements.

**3. Local Customer Considerations:**

There is no retail or acceptance unit at the Easton P&DF. Services that are currently available from the Easton Main Post Office will continue to be available to customers.

- Collection box pick-up times will not change as a result of the AMP.
- Retail services will remain the same.
- Business mail acceptance will remain the same.
- A local postmark will be available for stamped First-Class Mail.
- Delivery of mail to residences and businesses will not change as a result of the AMP.

**4. Commercial Mailers:**

- Mailers who presort mail will continue to receive applicable postage discounts.
- Mailers who drop ship to Destination Sectional Center Facility (DSCF) 216 may be impacted if the AMP is approved.

Comments may be sent to:

CONSUMER AFFAIRS MANAGER  
BALTIMORE DISTRICT  
900 E FAYETTE ST  
BALTIMORE MD 21233-9631

All comments must be postmarked by June 30, 2010.